

Drought Financial Assistance Programs from the Federal and State Governments



October 1989

State of California
The Resources Agency
Department of Water Resources

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Gordon K. Van Vleck
Secretary for Resources
The Resources Agency

George Deukmejian
Governor
State of California

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Foreword

This report contains brief descriptions of 33 federal and State programs which could provide drought-related financial assistance. Since drought conditions, administrative regulations, and funding change, all programs which could provide assistance are included, even though they may not be available at the time of publication.

This compendium will help those impacted by the California drought determine if they qualify for financial assistance. It brings together in one publication, a brief description of the complete range of drought-related financial assistance programs. These programs are administered by 11 different federal and State agencies.

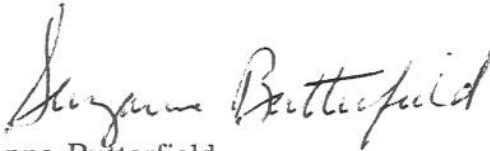
The various programs can provide assistance to qualified farmers, ranchers, livestock producers, rural residents, residents of small communities, public and private water districts and agencies, political subdivisions, nonprofit organizations, small and medium-scale commercial tree producers, aquaculturists, Indians, and some drought-impacted businesses and communities--a wide spectrum of our society.

Assistance can be provided for both emergency and non-emergency conditions and to both solve and prevent drought-induced problems.

Each assistance program has specific qualifying requirements which must be satisfied to obtain aid. Each program also has limitations. These are outlined in the descriptions of the programs. However, the controlling requirements and limitations are far more complex than can be included in this compendium. Consequently, after identifying possible appropriate assistance programs, the reader should contact the administering agency or agencies for definitive current program information, applications, etc.

This report was prepared by Robert F. Fingado of the Department of Water Resources. We hope this report will simplify the work of those who might qualify for drought assistance. It should make their search for assistance both comprehensive and efficient.

We thank the 11 federal and State agencies whose programs are listed in this compendium for their invaluable assistance. This report could not have been prepared without their help in providing information about their programs and in reviewing each program description to assure its accuracy.



Suzanne Butterfield
Drought Response Coordinator

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The California Water Commission serves as a policy advisory body to the Director of Water Resources on all California water resources matters. The nine-member citizen commission provides a water resources forum for the people of the State, acts as a liaison between the legislative and executive branches of State Government, and coordinates federal, state, and local water resources efforts.

Introduction

During 1987, 1988, and 1989 California experienced one of its most serious droughts in recorded history. At its peak, the drought also affected much of the West, Northern Plains, Midwest, Southern Appalachian, and Tennessee Valley regions.

In 1988, water shortages occurred in 45 California counties, adversely affecting about 30 percent of the population, much of the dry farmed agriculture, and over 40 percent of the State's irrigated agriculture. Fish and wildlife resources suffered, recreation use of lakes and rivers decreased, forestry losses and fires increased, and hydroelectric power production decreased.

So far in 1989, water shortages have occurred in 24 counties. Over 10,000,000 people are under drought-induced water rationing or conservation programs. Agriculture, fish, waterfowl, recreation, forestry, and hydroelectric power generation losses are continuing, but in most cases at reduced levels from 1988. To date, in 1989, five counties have declared drought emergencies.

In August 1988, because of the extent and severity of the drought, Congress enacted the Federal Disaster Assistance Act of 1988. This act provides an estimated \$3.9 billion nationwide in drought aid to agriculture, people, and businesses. This aid supplements the wide range of financial assistance provided by ongoing federal assistance programs.

In August 1989, President Bush signed disaster assistance legislation which provides about \$897 million in assistance to farmers and livestock producers hit by the 1989 drought and severe weather.

In California, eight federal agencies and three State agencies administer financial aid programs which can provide drought financial assistance. Typically during droughts, the federal programs provide over 90 percent of the financial aid, with the State's effort more oriented to technical assistance.

The majority of the financial assistance is provided by programs administered by two agencies of the U. S. Department of Agriculture. The Agricultural Stabilization and Conservation Service administers 10 programs which can provide drought assistance. The Farmers Home Administration has nine programs. Additionally, the U. S. Soil Conservation Service administers three drought assistance programs, the U. S. Corps of Engineers has two, and the U. S. Small Business Administration, U. S. Bureau of Reclamation, Economic Development Administration, and the Federal Emergency Management Agency each administers one drought assistance program.

At the State level, the Department of Housing and Community Development administers three programs which can provide drought assistance and the Department of Health Services and Office of Emergency Services each have one program.

The majority of financial assistance is oriented to agriculture, rural residents, and small communities. The programs provide:

- * assistance to small communities to solve drought-related problems;
- * emergency livestock feed assistance;
- * pasture and rangeland rehabilitation cost sharing;
- * emergency haying and grazing on Acreage Conservation Reserve and Conservation Use Acreage;
- * tree seedling reestablishment cost sharing;
- * soil and water conservation cost sharing and loans;
- * farmland rehabilitation cost sharing;
- * watershed protection cost sharing;
- * emergency crop loss payments;
- * mitigation for fish and wildlife losses;
- * economic injury disaster loans and payments;
- * drought and disaster loans to farmers for physical property damage rehabilitation costs;
- * farm ownership and operating loans;
- * donation of grain to Indian tribes;
- * rural and small community home ownership loans;
- * rural rental housing loans;
- * drought-related business and industrial loans for small, rural, nonfarm businesses;
- * assistance to communities which could or have experienced threats to public health and welfare from contaminated drinking water; and

- * assistance to communities which could or have had sudden major job losses due to a drought.

Examples of specific types of water-related drought assistance:

- * developing water supplies;
- * providing emergency water supplies;
- * drilling and rehabilitating water wells;
- * purchasing and transporting water supplies;
- * installing water supply system interties;
- * repairing and replacing physically damaged water supply systems;
- * recycling water;
- * abating water pollution;
- * treating water supplies;
- * providing water conservation measures; and
- * installing drainage and waste disposal systems.

The forms of financial assistance vary by program and include loans, loan guarantees, grants, cost sharing, seed money for projects, subsidized purchases, direct construction and other direct assistance, and donations. A number of the programs also provide technical assistance.

Program information in this compendium was accurate at the time it was obtained. However, administrative regulations, legislation, budget considerations, and drought conditions change. Each administering agency can provide its current regulations to potential applicants.

The following tabulation of the programs in this compendium can be used to rapidly review and identify the potentially applicable programs, administering organizations, and types of assistance available.

Tabulation of Existing Drought Financial Assistance Programs

Federal Programs

Existing Program	Administering Organization ¹	Type of Assistance
Emergency Feed Program (EFP) (Feed Cost-Sharing Program)	ASCS	Cost-Sharing
Emergency Feed Assistance Program (EFAP)	ASCS	Subsidized Purchase
Emergency Haying and Grazing of Acreage Conservation Reserve (ACR) and Conservation Use (CU) Acreage	ASCS	Additional Use of Land
Forage Assistance Program (FAP)	ASCS	Cost-Sharing
Tree Assistance Program (TAP)	ASCS	Cost-Sharing
Conservation Reserve Program (CRP)	ASCS	Cost-Sharing
Emergency Conservation Program (ECP)	ASCS	Cost-Sharing
Emergency Crop Loss Program	ASCS	Payment
Agricultural Conservation Program (ACP)	ASCS	Cost-Sharing
Indian Acute Distress Donation Program	ASCS	Grain Donation
Disaster Relief and Emergency Assistance Program ²	FEMA	Grants and Emergency Assistance

¹ See program description for agency title.

² May or may not cover droughts, depending on type of damage.

Federal Programs

Existing Program	Administering Organization ¹	Type of Assistance
Emergency Water Supply/Drought Assistance Programs	USCE	Physical Facility Construction and Assistance
Clean Drinking Water/Contaminated Water Source Program	USCE	Supply Clean Drinking Water
Reclamation States Drought Assistance	USBR	Loans and Technical Assistance
Economic Injury Disaster Loan (EIDL)	SBA	Loans
Economic Adjustment (Title IX) Program (Sudden and Severe Economic Dislocation [SSED] Component)	EDA	Grants
Drought and Disaster (D&D) Guaranteed Loans (Community Facilities Program)	FmHA	Loan Guarantees
Emergency Disaster Loans (EM) (Farmer Program)	FmHA	Loans
Soil and Water Loans (Farmer Program)	FmHA	Loans
Farm Ownership Loans (Farmer Program)	FmHA	Loans and Loan Guarantees

¹ See program description for agency title.

Federal Programs

Existing Program	Administering Organization ¹	Type of Assistance
Farm Operating Loans (Farmer Program)	FmHA	Loans and Loan Guarantees
Home Ownership Loans (Housing Program)	FmHA	Loans
Rural Rental Housing Loans (Housing Program)	FmHA	Loans
Water and Waste Disposal Loans and Grants (Community Facilities Program)	FmHA	Loans and Grants
Business and Industrial Loan Program (B&I) (Business and Industry Program)	FmHA	Loan Guarantees
Resource Conservation and Development (RC&D) Loans (Community Facilities Program)	SCS & FmHA	Loans and Technical Assistance
Conservation Operations Program	SCS & FmHA	Supply Handbooks
Emergency Watershed Protection Program (EWP)	SCS	Emergency Assistance

¹ See program description for agency title.

State Programs

Existing Program	Administering Organization ¹	Type of Assistance
Emergency Clean Water Grant Fund	DHS	Grants or Loans
Community Development Block Grant Program	DHCD	Grants
Rural Technical Assistance Program (RTAP) (Rural Community Facilities Technical Assistance Program)	DHCD	Technical Assistance Grants and Seed Money
Rural Development Assistance Program (RDAP)	DHCD	Grants and Seed Money
Natural Disaster Assistance Act and Campbell-Torres-Cortese Natural Disaster Assistance Act Amendments of 1988 ²	OES	Cost-Sharing

¹ See program description for agency title.

² May or may not cover droughts, depending on type of damage.

Drought
Financial
Assistance
Programs

Federal
Government

Emergency Feed Program (EFP) (Feed Cost-Sharing Program)

Administering Agency:	Agricultural Stabilization and Conservation Service (ASCS)
Contact Person:	John G. Smythe, State Executive Director, (916) 551-1801.
Statute:	Public Law 100-387 and Food and Agricultural Act of 1977, as amended.
Assistance Available:	Commodity Credit Corporation (CCC) shares with owner of eligible livestock up to 50 percent or smaller of abnormal feed needs or feed loss costs due to drought. Eligible livestock include cattle, sheep, horses, mules, swine, goats, lambs, fish, and poultry.
Form of Assistance:	Cost-sharing.
Beneficiaries:	Livestock producers with annual gross revenues less than \$2.5 million.
Qualifying Requirements:	Owner must have minimum 40 percent feed loss which requires buying abnormal amounts of feed for eligible livestock. Livestock must be owned at least six months, be offspring of eligible livestock, or be purchased as part of normal farm operation. Beneficiaries must be actively engaged in farming with at least ten percent of gross annual income derived from the production of grain or livestock.
Limitations:	Producer must have suffered at least 40 percent loss of feed production due to natural disaster which requires purchasing abnormal amount of livestock feed. CCC assistance is limited to five cents a pound.
Availability:	This program is available for 1988 and 1989 drought aid; no additional action is required.
Comments:	Maximum annual benefit for all ASCS disaster programs is limited to \$100,000 per person. Automatically available to livestock producers in counties designated by the Secretary of Agriculture as eligible for Farmers Home Administration

Comments (continued): emergency loans and for Emergency Feed Assistance Program. Once the program has been approved for a county, all producers in the county and all producers in contiguous counties are eligible to apply for the program. To gain maximum benefits, eligible livestock producers should apply for assistance as soon as possible after the programs are implemented in the county. Applications must be filed by December 31, 1989. Contact the local ASCS office for further information.

Emergency Feed Assistance Program (EFAP)

Administering Agency:	Agricultural Stabilization and Conservation Service (ASCS)
Contact Person:	John G. Smythe, State Executive Director, (916) 551-1801.
Statute:	Public Law 100-387 and Agricultural Act of 1949, as amended.
Assistance Available:	For 1988, livestock producers in drought-designated counties could purchase Commodity Credit Corporation (CCC) owned grain at 75 percent of basic county loan rate. For 1989, livestock producers in drought designated counties can purchase CCC owned grain at 50 percent of the average market price in the county. The producer also may purchase feed grain stored on the farm that has been pledged as collateral for a CCC price support loan. Eligible livestock are same as in Emergency Feed Program.
Form of Assistance:	Subsidized purchase.
Beneficiaries:	Livestock producers with annual gross revenues less than \$2.5 million.
Qualifying Requirements:	Forty percent or larger feed loss is required. Annual gross revenue is limited to \$2.5 million. Producers must pay for grain by certified check, cashiers check, or money order. Beneficiaries must be actively engaged in farming with at least 10 percent of annual income derived from the production of grain or livestock.
Limitations:	Producer must have insufficient feed available to carry livestock to the next normal feed availability period, i.e., grain harvest or spring or fall pasture.
Availability:	This program is available for 1988 and 1989 drought aid; no additional action is required.
Comments:	Maximum annual benefit for all disaster programs is \$100,000 per person. Available to livestock producers located in a county designated by the Secretary of Agriculture as eligible for Farmers Home Administration emergency loans and for Emergency Feed Program. Once

Comments (continued): the program has been approved for a county, all producers in the county and all producers in contiguous counties are eligible to apply for assistance. To gain maximum benefits, eligible livestock producers should apply for assistance as soon as possible after the programs are implemented in the county. Applications must be filed by December 31, 1989. Contact the local ASCS office for further information.

Emergency Haying and Grazing of Acreage Conservation Reserve (ACR) and Conservation Use (CU) Acreage

Administering Agency:	Agricultural Stabilization and Conservation Service (ASCS)
Contact Person:	John G. Smythe, State Executive Director, (916) 551-1801.
Statute:	Omnibus Budget Reconciliation Act of 1987.
Assistance Available:	Secretary of Agriculture will permit qualifying farmers to use designated acreage for haying and grazing during five designated summer months when the cropland normally is idle.
Form of Assistance:	No financial assistance, but additional use of designated cropland for haying and grazing.
Beneficiaries:	Qualified producers who participate in U. S. Department of Agriculture wheat and feed grain programs.
Qualifying Requirements:	Qualified producers who participate in the USDA wheat and feed grain programs with eligible designated ACR and CU acreage removed from production.
Limitations:	Producer must have designated ACR and CU acreage.
Availability:	This program is available for 1989 and is approved as needed on a county-by-county basis.
Comments:	Once approved by the Secretary, qualified producers are authorized to use the designated acreage to an extent not to enhance erosion. The five-month summer period varies from county to county. Contact local ASCS office for further information.

Forage Assistance Program (FAP)

Administering Agency:	Agricultural Stabilization and Conservation Service (ASCS)
Contact Person:	John G. Smythe, State Executive Director, (916) 551-1801.
Statute:	Public Law 100-387.
Assistance Available:	Cost-sharing assistance to reestablish permanent pasture and range land lost due to 1988 drought. Costs include seeds, minerals, seeding, and seed bed preparation.
Form of Assistance:	Cost-sharing.
Beneficiaries:	Pasture and range land owners.
Limitations:	Maximum cost-sharing is limited to 50 percent of actual or average cost of reestablishing the acreage lost up to \$3,500 per person. Requests for 1988 assistance must have been received by May 15, 1989.
Availability:	This program is available for 1988 and 1989 drought aid; additional legislation is not required.
Comments:	Maximum annual benefit for all ASCS disaster programs is \$100,000 per person. Contact local ASCS office for further information.

Tree Assistance Program (TAP)

Administering Agency:	Agricultural Stabilization and Conservation Service (ASCS)
Contact Person:	John G. Smythe, State Executive Director, (916) 551-1801.
Statute:	Public Law 100-387.
Assistance Available:	Cost-sharing of 65 percent maximum of actual or average costs of reestablishing tree seedling losses due to 1988 and 1989 droughts. Cost-sharing payments will be available at the 65-percent level to replant those seedlings planted in 1988 or 1989 for commercial harvest, which were lost due to drought or related condition in 1989, in excess of 45 percent mortality plus normal mortality.
Form of Assistance:	Cost-sharing.
Beneficiaries:	Small- and medium-scale commercial tree producers.
Qualifying Requirements:	Seedling mortality must exceed 35 percent.
Limitations:	Cost-sharing is limited to 65 percent of the actual or average cost of reestablishing seedlings on the portions of qualifying stands eligible for payment. Maximum acreage of trees planted for commercial purposes is 1,000 acres. Requests for 1988 assistance must have been received by May 15, 1989.
Availability:	This program is available for 1988 and 1989 drought aid; additional legislation is not required.
Comments:	Maximum annual benefit for all ASCS disaster programs is \$100,000 per person. Contact local ASCS office for further information.

Conservation Reserve Program (CRP)

Administering Agency:	Agricultural Stabilization and Conservation Service (ASCS)
Contact Person:	John G. Smythe, State Executive Director, (916) 551-1801.
Statute:	Public Law 100-387 and Food Security Act of 1985.
Assistance Available:	Sharing of up to 50 percent of costs of specific new conservation practices on existing Conservation Reserve Program land. (The ASCS recommends that farmers plant grass on this highly erodible land and receive annual rental payments on the land from ASCS for ten years.)
Form of Assistance:	Cost-sharing.
Beneficiaries:	Owners and operators on Conservation Reserve Program land.
Qualifying Requirements:	Producers must have had their annual rental payments reduced for emergency use of their Conservation Reserve Program land. Program participants, who agreed to a reduction in the 1989 annual rental payment as a result of benefits derived from authorized haying or grazing, are eligible to receive 50 percent cost-sharing to establish specific permanent conservation practices which offset damages to wildlife habitat that may have occurred. This cost-sharing is not to exceed the reduction in the annual payment.
Limitations:	Land must be highly erodible, normally devoted to agricultural production, and operated for three years. Fifty dollars per acre has been the maximum payment by ASCS.
Availability:	This program is available for drought aid; no additional action is required.
Comments:	Maximum annual benefit for all ASCS disaster programs is limited to \$100,000 per person. Contact local ASCS office for further information.

Emergency Conservation Program (ECP)

Administering Agency:	Agricultural Stabilization and Conservation Service (ASCS)
Contact Person:	John G. Smythe, State Executive Director, (916) 551-1801.
Statute:	Public Law 100-387 and Agricultural Credit Act of 1978.
Assistance Available:	Sharing of costs of restoring to productive use farmland seriously damaged by natural disaster, or for emergency water conservation measures during droughts. Costs cover providing water for livestock, restoring structures, and water conservation measures.
Form of Assistance:	Cost-sharing.
Beneficiaries:	Farmers and ranchers.
Qualifying Requirements:	Conservation problems which existed prior to disaster are not eligible for assistance.
Limitations:	Assistance limited to solving conservation problems caused by natural disasters that impair land or productive capability. Damage must be unusual and not likely to occur frequently in the same area.
Availability:	This program is available for drought aid; no additional action is required.
Comments:	Maximum annual benefit for all ASCS programs is \$100,000 per person. Contact local ASCS office for further information.

Emergency Crop Loss Program

Administering Agency:	Agricultural Stabilization and Conservation Service (ASCS)
Contact Person:	John G. Smythe, State Executive Director, (916) 551-1801.
Statute:	Public Law 100-387, Agricultural Credit Act of 1978, and Disaster Assistance Act of 1989.
Available Assistance:	Disaster payments to producers of all commercially-grown crops who suffered losses greater than 35 percent of normal production. The payment rate is 65 percent of the basic rate for the commodity.
Form of Assistance:	Payment which will be made in generic commodity certificates.
Beneficiaries:	Farmers with qualifying annual gross revenues less than \$2 million for commercially-grown crops.
Qualifying Requirements:	Producers with crop losses exceeding 65 percent must agree to purchase multi-peril crop insurance unless qualified for waiver. Minimum loss requirements to qualify for assistance depend on whether or not there is crop insurance and whether the crops are participating, non-participating, or non-program crops.
Limitations:	Payments limited to 90 percent of payment rate for losses exceeding 75 percent of normal production and 65 percent for losses between 35 and 75 percent of normal production. Producers who planted a replacement crop on acreage for which the producer is requesting disaster payments will have the disaster benefit payments reduced by the value of the replacement crop. Additional disaster payments will not be made to producers who suffer losses resulting from reduced crop quality.
Availability:	This program is available for 1988 and 1989 drought aid; additional legislation is not required.

Comments:

Maximum annual benefit for all ASCS programs is \$100,000 per person. Must have filed applications for 1988 assistance by March 31, 1989. Contact local ASCS office for further information.

Agricultural Conservation Program (ACP)

Administering Agency:	Agricultural Stabilization and Conservation Service (ASCS)
Contact Person:	John G. Smythe, State Executive Director, (916) 551-1801.
Statute:	Public Law 100-387 and Agricultural Credit Act of 1978.
Assistance Available:	Cost-sharing of various livestock practices including livestock water wells, livestock watering facilities, and pasture reseeding in drought-affected counties. Special emphasis in California placed on water conservation assistance.
Form of Assistance:	Cost-sharing.
Beneficiaries:	Livestock producers.
Limitations:	Available in drought-affected counties only.
Availability:	This program is available for drought aid; no additional action is required.
Comments:	Maximum annual benefit for all ASCS programs is \$100,000 per person. Contact local ASCS office for further information.

Indian Acute Distress Donation Program

Administering Agency:	Agricultural Stabilization and Conservation Service (ASCS)
Contact Person:	John G. Smythe, State Executive Director, (916) 551-1801.
Statute:	Section 216, Public Law 85-516; Section 403, Title 4, Agricultural Credit Act of 1978; Public Law 95-334, 7 CFR 624.
Assistance Available:	Commodity Credit Corporation owned feed grain may be donated to Indian tribes for livestock feeding due to severe droughts and other natural disasters following authorization by the ASCS Administrator.
Form of Assistance:	Direct donation of grain.
Beneficiaries:	Indian tribes.
Availability:	This program is available for drought aid.
Comments:	Distribution of feed to the tribe is arranged by the Bureau of Indian Affairs, Department of the Interior. Contact local ASCS office for further information.

Disaster Relief and Emergency Assistance Program

Administering Agency:	Federal Emergency Management Agency (FEMA)
Contact Person:	Tommie Hamner, (415) 923-7250.
Statute:	Disaster Relief Act of 1974, Public Law 93-288 and Public Law 100-707, 1988, Robert T. Stafford Disaster Relief and Emergency Assistance Act.
Agency Function:	FEMA monitors, oversees, and coordinates programs administered by FEMA, other federal and State agencies, and volunteer agencies under a Presidential Declaration of a major disaster or emergency. Certain of the various forms of assistance (assistance programs) available, as listed below, are administered and funded by other federal, State, and volunteer agencies as authorized under their individual statutes. These programs are monitored and coordinated by FEMA.
Assistance Available:	Assistance to State and local agencies to meet threats to life and property from major disasters and to save lives, protect property, public health and safety, and to reduce threats from catastrophes. Assistance includes repairing and restoring public and private nonprofit facilities and providing community services (including water), temporary housing, unemployment assistance, crisis counseling, food, fire suppression, loans, and grants. Federal agencies may be directed to provide technical assistance and advisory personnel to assist State and local agencies.
Beneficiaries:	Local and State governments, private nonprofit facilities, Indian tribes, families, individuals, and businesses, including farm businesses.
Qualifying Requirements:	Requires declaration by Governor that an emergency or a major disaster exists which is beyond the capability of the State and local agencies and which requires federal assistance beyond the normal federal assistance available under other federal agency authorities, e.g., USDA (Secretary of Agriculture designations), DOD (Secretary of

**Qualifying
Requirements
(continued):**

the Army, USACE). The President may make an Emergency Declaration unilaterally in areas of primary federal responsibility. Under such declarations total assistance is limited to \$5,000,000 per event except in extraordinary situations. Grants to individuals and families under a Presidential Declaration are limited to \$10,000 each. Assistance cost shared will not be less than 75 percent federal share.

Limitations:

Local government must declare that a local emergency exists and request the Governor to obtain federal assistance. The local government request must identify problem, actions being taken, and appropriate assessment data.

Availability:

Drought is specifically included in the Act as a major disaster. The Act is very broad, but droughts may not produce emergency conditions and physical damage required to qualify.

Emergency Water Supply/Drought Assistance Programs

Administering Agency:	U. S. Army Corps of Engineers (Corps)
Contact Person:	Mark Verke, Jerry Kanenaga, or John Cook, (916) 551-2539.
Statute:	PL 84-99 and PL 95-51.
Assistance Available:	In drought-distressed areas, the Corps has authority to construct wells and transport water on an emergency basis. Water can be for human and livestock use, but not recreational use.
Form of Assistance:	Well construction and water transportation assistance.
Beneficiaries:	Political subdivisions, public districts, farmers, and ranchers.
Qualifying Requirements:	Secretary of the Army must determine area has inadequate water supply which is a substantial threat to the health and welfare of the affected inhabitants. Before Corps assistance can be provided, the applicability of other federal assistance must be evaluated, including Small Business Administration, Farmers Home Administration, and Economic Development Administration. Corps assistance can only be provided when all local resources are expended.
Limitations:	User of emergency assistance or system must obtain all necessary federal, State, and local permits and must subscribe to local cooperation assurances. Applicant must bear the cost of water to be transported as a local responsibility. The transportation cost is a federal expense. The Corps will finance well construction costs, but the applicant must agree to repay "reasonable" well construction costs.
Availability:	Application for program assistance can be made to Corps District, but assistance is subject to approval at higher level.
Comments:	The Corps assistance is "last resort"; program provided assistance during 1976-77 drought in transporting water to Marin County.

Clean Drinking Water/Contaminated Water Source Program

Administering Agency:	U. S. Army Corps of Engineers (Corps)
Contact Person:	Mark Verke, Jerry Kanenaga, or John Cook, (916) 551-2539.
Statute:	PL 84-99.
Assistance Available:	The Corps is authorized to provide emergency supplies of clean drinking water to any locality confronted with a source of contaminated drinking water causing or likely to cause a substantial threat to public health and welfare in the locality.
Form of Assistance:	Transportation of emergency supply of clean drinking water.
Beneficiaries:	Any locality faced with a threat to public health and welfare from a contaminated source of drinking water.
Qualifying Requirements:	Water distribution system may be publicly or privately owned. State and local agencies must make full use of their own resources, including the National Guard. Requests for assistance must be initiated by the Governor. There may be local requirements for assistance.
Limitations:	Loss of water supply is not cause for assistance. Permanent restoration of drinking water supply is a local responsibility. Corps assistance is normally limited to 30 days. Applicant must furnish lands, easements, and right of way; make necessary relocations; and hold the U. S. free from damages.
Availability:	Application for program assistance can be made to Corps District, but assistance is subject to approval at higher level.
Comments:	Assistance is limited to work which is the most economical means of furnishing a temporary drinking water supply. Water will not be furnished to a business firm except as incidental to the use of the existing water distribution system, but drinking water can be provided for employees and on-site customers.

Reclamation States Drought Assistance

Administering Agency:	U. S. Bureau of Reclamation (USBR)
Contact Person:	Donald Paff, (916) 978-5221.
Initiating Legislation:	HR 5015, 1977.
Statute:	Federal Disaster Assistance Act of 1988, (Public Law 100-387, Title IV, Subtitle B).
Assistance Available:	Loans and assistance to remedy the effects of economic injury resulting from drought conditions in 1987, 1988, and 1989. Included are loans for acquiring and transporting emergency supplies, improving water management, and instituting water conservation activities. Loans may cover the increased drought-induced pumping costs to provide the water supply. USBR water or canal capacity may temporarily be made available, including water to mitigate fish and wildlife losses. USBR also will facilitate water transfers between willing buyers and sellers. The USBR can undertake construction, management, and conservation activities to mitigate drought losses.
Form of Assistance:	Loans, USBR water and canal capacity, and technical assistance.
Beneficiaries:	Water users and fish and wildlife through assistance to State, federal, local, and private entities.
Limitations:	Assistance is limited to 17 western reclamation states, areas for which the Governor has declared a drought emergency and which are eligible for Department of Agriculture disaster relief assistance. A Presidential declaration of emergency is not required. Construction activities are not permitted under the emergency loan program. All activities under the emergency loan program must be completed on or before December 31, 1989.
Amount of Funds Available:	Twenty-five million dollars is authorized for emergency loans, management, and USBR construction activities.

Availability:

Assistance became available April 10, 1989, upon adoption of interim rules and regulations for assistance.

Comments:

Loans for agricultural water are interest free, those for nonagricultural water are not. Loans are to be repaid in 5 to 10 years. Applications for assistance are to be submitted to USBR regional office in Sacramento. Interested buyers and sellers of water also should contact this office.

Economic Injury Disaster Loan (EIDL)

Administering Agency:	U. S. Small Business Administration (SBA)
Contact Person:	William Leggiero, (916) 978-4578.
Statute:	Title III of Public Law 98-220, 13 CFR Part 123, Part C or 7-B-2 of Small Business Act.
Assistance Available:	Low-interest working capital loans to small nonfarm businesses and agricultural cooperatives to meet financial obligations arising from natural disasters. Small nonfarm businesses and agricultural cooperatives in all California counties can apply for assistance for 1988 damages as of August 23, 1989.
Form of Assistance:	Loans.
Beneficiaries:	Small nonfarm businesses and agricultural cooperatives.
Qualifying Requirements:	Economic injury must be the direct result of disaster losses to farmers and ranchers. Eligibility is restricted to agri-dependent businesses in declared disaster areas.
Limitations:	(See Comments.) Farmers and ranchers are not eligible, nor are businesses holding real estate for lease or rent, such as landlords.
Amount of Funds Available:	Maximum total loan to any one business is \$500,000.
Availability:	This program is available for drought aid.
Comments:	Drought-related assistance is available only when the Secretary of Agriculture makes a disaster declaration for the Emergency Loan Program of the Farmers Home Administration and asks the SBA to implement the Economic Injury Disaster loan program. SBA no longer makes disaster loans of any type to farmers, nor does it recognize drought as a disaster.

Economic Adjustment (Title IX) Program (Sudden and Severe Economic Dislocation [SSED] Component)

Administering Agency:	Economic Development Administration (EDA)
Contact Person:	Deena R. Sosson, (916) 551-1541.
Statute:	PL 89-136, Public Works and Economic Development Act of 1965 (Title IX).
Assistance Available:	Grants to a designated redevelopment area, a nonprofit organization, an economic development district, or a State or political subdivision thereof to prevent an economic dislocation or to reestablish employment opportunities after a dislocation occurs. Grants can fund public facilities, business loans, or technical assistance.
Form of Assistance:	Grants.
Beneficiaries:	Communities which could or have experienced sudden major permanent job losses.
Qualifying Requirements:	Key factors are severity of dislocation and responsiveness of proposed project to needs of dislocated workers. Eligibility requirements are waived if there is a Presidentially declared disaster.
Limitations:	Grants usually provide up to 75 percent of project cost.
Amount of Funds Available:	Nationwide, \$12 to \$13 million per year for the past three years. Average 1987 strategy grant is \$64,000; average 1987 implementation grant is \$616,000.
Availability:	This program is available for drought aid.
Comments:	Can apply for implementation grant for drought-caused job losses, but must meet job loss threshold level. Can also apply for strategy grant to prevent economic dislocation (job loss) due to drought. Emphasis is for rural areas. Long Term Economic Dislocation (LTED) assistance also is available for areas experiencing long-term economic problems.

Drought and Disaster (D&D) Guaranteed Loans (Community Facilities Program)

Administering Agency:	Farmers Home Administration (FmHA)
Contact Person:	Ron Shelton, (916) 666-3382.
Statute:	Disaster Assistance Act of 1988.
Assistance Available:	Loan guarantees to rural businesses which have suffered losses or experienced financial distress from droughts or other disasters.
Form of Assistance:	Loan guarantees.
Beneficiaries:	Rural businesses which have suffered losses from droughts and other natural disasters.
Qualifying Requirements:	Owner equity in business must be positive.
Limitations:	Maximum loss payable is 90 percent of the unpaid loan principal.
Amount of Funds Available:	Nationwide, \$200 million guaranteed loan authority. Maximum loan guarantee is \$500,000.
Availability:	This program is available for drought aid.
Comments:	Interim rules for D&D loans were published in the Federal Register, January 3, 1989. Deadline for applications is September 30, 1991.

Emergency Disaster Loans (EM) (Farmer Program)

Administering Agency:	Farmers Home Administration (FmHA)
Contact Person:	Darrel Zerger, (916) 666-3382.
Statute:	7 U. S. C. 1989; 5 U. S. C. 301; CFR 2.23; 7 CFR 2.70.
Assistance Available:	Emergency loans to family farmers, ranchers, or aquaculturists for physical property damage or severe production losses in counties named by FEMA as eligible for federal assistance under Presidential or Secretary of Agriculture disaster declaration or in adjacent county.
Form of Assistance:	Loans.
Beneficiaries:	Family farmers, ranchers, and aquaculturists (owners or tenants).
Qualifying Requirements:	Must have suffered qualifying physical loss or production loss of at least 30 percent. Must be unable to obtain suitable credit from other sources and have repayment ability.
Limitations:	Losses for crops planted or harvested after December 31, 1986, which could have been insured by FCIC normally are not eligible. Loan ceiling is 80 percent of production loss and 100 percent of actual physical loss.
Amount of Funds Available:	Maximum loan is \$500,000.
Availability:	Farmers in all California counties can apply for assistance under this program for 1988 damages and losses as of August 1, 1989.
Comments:	Applications must be filed within eight months of disaster decision by the President, Secretary of Agriculture, or the Administrator of Farmers Home Administration. Loan funds can be used for restoring or replacing damaged property, purchasing machinery and equipment, reorganizing farm systems, paying production costs in disaster year or following year, etc.

Soil and Water Loans (Farmer Program)

Administering Agency:	Farmers Home Administration (FmHA)
Contact Person:	Darrel Zerger, (916) 666-3382.
Assistance Available:	Loans to help individual farmers and ranchers develop, conserve, and properly use their land and water resources and abate pollution. Funds may be used to drill wells and improve water supply systems for irrigation, home use, and livestock; to buy irrigation equipment; to acquire a water supply; or to install drainage and water disposal systems.
Form of Assistance:	Loans.
Beneficiaries:	Farmers and ranchers (owners or tenant operators) including partnerships and corporations.
Qualifying Requirements:	Must rely on farm or ranch income as substantial part of income. Available to persons who cannot obtain credit elsewhere.
Availability:	This program is available for drought aid.
Comments:	Loans also can be used for soil improvement practices, including fertilizing, seeding, sodding, land leveling, establishing permanent pastures and farm forests, and installing erosion and pollution control measures.

Farm Ownership Loans (Farmer Program)

Administering Agency:	Farmers Home Administration (FmHA)
Contact Person:	Darrel Zerger, (916) 666-3382.
Assistance Available:	Funds can be used to construct, improve, or repair farm homes and service buildings, and to drill wells, develop water, and improve farm water supplies. Funds also can be used by farmers for nonfarm facilities to assist them supplement their incomes (see Comments).
Form of Assistance:	Loans and loan guarantees.
Beneficiaries:	Family-sized farmers and ranchers, including both owners and operators.
Qualifying Requirements:	Available to borrowers who are unable to obtain sufficient credit at reasonable rates elsewhere. Loans available to individuals, partnerships, cooperatives, and corporations.
Limitations:	Loans limited to family-sized farmers who get a substantial share of their income from farming.
Amount of Funds Available:	Maximum loan is \$200,000 and maximum loan guarantee is \$300,000.
Availability:	Subject to the availability of funds, this program is available for drought aid.
Comments:	Nonfarm enterprises for which loans can be made include repair shops, roadside markets, small grocery stores, service stations, souvenir shops, craft and wood and metal working facilities, and recreational facilities on family farms.

Farm Operating Loans (Farmer Program)

Administering Agency:	Farmers Home Administration (FmHA)
Contact Person:	Darrel Zerger, (916) 666-3382.
Assistance Available:	Funds can be used to pay farm operating costs, including farm equipment and development of water systems for homes, livestock, and irrigation use. Funds also can be used for nonfarm businesses (see Comments).
Form of Assistance:	Loans and loan guarantees.
Beneficiaries:	Family-sized farmers and ranchers, including both owners and operators.
Qualifying Requirements:	Available to borrowers who are unable to obtain sufficient credit at reasonable rates elsewhere. Loans available to individuals, partnerships, cooperatives, and corporations. Loans available to part-time farmers if farming income is necessary to provide adequate family income.
Limitations:	Loans limited to family-sized farmers who get a substantial share of their income from farming.
Amount of Funds Available:	Maximum loan is \$200,000 and maximum loan guarantee is \$400,000.
Availability:	This program is available for drought aid.
Comments:	Nonfarm enterprises for which loans can be made include repair shops, roadside markets, small grocery stores, service stations, souvenir shops, craft and wood and metal working facilities, and recreational facilities on family farms.

Home Ownership Loans (Housing Program)

Administering Agency:	Farmers Home Administration (FmHA)
Contact Person:	James C. Rathbone, (916) 666-3382.
Assistance Available:	Funds may be used to buy, build, repair, or rehabilitate rural homes and related facilities, including water and waste disposal systems. Homes may be on individual sites or in subdivisions.
Form of Assistance:	Loans.
Beneficiaries:	Low-income persons who will become home owners in rural areas, communities with 10,000 maximum population, and, under certain conditions, towns and cities between 10,000 and 20,000 people.
Qualifying Requirements:	Available to families or persons with low incomes who are unable to obtain loans from other sources. Must be a U. S. citizen or legally admitted for permanent residency.
Limitations:	Homes must be modest in size and cost, and located on desirable sites with an assured supply of safe drinking water and suitable arrangements for sewage disposal.
Amount of Funds Available:	Loans may be made for up to 100 percent of Farmers Home Administration's approved value of site and home.
Availability:	This program is available for drought aid.

Rural Rental Housing Loans (Housing Program)

Administering Agency:	Farmers Home Administration (FmHA)
Contact Person:	James C. Rathbone, (916) 666-3382.
Assistance Available:	Funds may be used to buy, build, or repair apartments, duplexes, and multi-unit rental housing for low- and moderate-income or senior citizens in rural areas. Funds can be used to provide water and waste disposal systems and other uses.
Form of Assistance:	Loans.
Beneficiaries:	Loans may be made for housing in communities of up to 10,000 people and, under certain conditions, towns and cities between 10,000 and 20,000 people. Loans can be made to builders, including individuals, partnerships, corporations, and nonprofit organizations.
Qualifying Requirements:	Loans can be made to individuals, trusts, associations, partnerships, limited partnerships, State or local public agencies, cooperatives, and corporations.
Limitations:	Funds may not be used for nursing, special care, or institutional housing. Housing must be occupied by people with low or moderate incomes or senior citizens age 62 or over. Communities of 10,000 to 20,000 people have some limitations.
Amount of Funds Available:	Loans are made to State or local public agencies at 100 percent of appraised value; others receiving loans receive 97 percent.
Availability:	This program is available for drought aid.

Water and Waste Disposal Loans and Grants (Community Facilities Program)

Administering Agency:	Farmers Home Administration (FmHA)
Contact Person:	Ron Shelton, (916) 666-3382.
Assistance Available:	Funds are to provide financial assistance for water and waste disposal facilities in rural areas and incorporated communities up to 10,000 people. Priority is given to areas with no more than 5,500 people to restore deteriorating water supplies and to improve or enlarge water facilities.
Form of Assistance:	Loans and grants.
Beneficiaries:	Public entities such as counties, municipalities, special districts, Indian tribes, and nonprofit corporations for water and waste disposal facilities in rural areas and incorporated communities up to 10,000 people.
Qualifying Requirements:	Applicant must be unable to obtain needed funds from other sources on reasonable terms. Commercial interim financing is normally used to construct, with program funds available when project is completed.
Limitations:	Applicant must have legal authority and capability to repay funds (based on taxes, assessments, or revenues) and operate and maintain facilities.
Availability:	This program is available for drought aid.
Comments:	Priority is also given to small facilities serving low-income communities. Funds may be used to (1) construct, repair, improve, expand, or modify rural water supply facilities (reservoirs, wells, pipelines, pumping stations), (2) acquire a water supply or water right, (3) fund waste water and storm drainage facilities, and (4) pay legal, engineering, and right-of-way costs of these facilities. Grants are made for facilities in the most financially needy communities.

Business and Industrial Loan Program (B&I) (Business and Industry Program)

Administering Agency:	Farmers Home Administration (FmHA)
Contact Person:	Ron Shelton, (916) 666-3382.
Statute:	Rural Development Act of 1972.
Assistance Available:	Basic uses are for developing or financing business or industry, increasing employment, and controlling or abating pollution. Funds can be used for real estate, operation expenses, and purchases of equipment for support of businesses. As examples, funds can be used to drill wells, build pipelines and reservoirs, tie into another water supply system, purchase water, treat water, recycle water, etc.
Form of Assistance:	Loan guarantees.
Beneficiaries:	Rural businesses in any unincorporated community or city up to 50,000 people.
Qualifying Requirements:	Loan guarantees are not available for agricultural production nor to charitable and educational institutions, churches or church-sponsored or fraternal organizations, hotels, motels, or tourist or recreational facilities.
Limitations:	Borrowers who want loans of less than \$750,000 are advised to apply to the Small Business Administration. Business and industrial loans are limited to \$10 million, with the exception of loans for alcohol fuel production, which are limited to \$20 million.
Availability:	Subject to the availability of funds, this program is available for drought aid.
Comments:	Loans may be made in any area outside the boundary of a city of 50,000 or more and its immediate urban areas with a population density of no more than 100 persons per square mile. Priority is given to applicants for projects in open country, rural communities, and towns of up to 25,000. Maximum guarantee is 90 percent of principal and interest.

Resource Conservation and Development (RC&D) Loans (Community Facilities Program)

Administering Agency:	U. S. Soil Conservation Service (SCS) and Farmers Home Administration (FmHA)
Contact Person:	Dave DeTullio, (916) 449-2888 (U. S. Soil Conservation Service).
Assistance Available:	Necessary technical assistance and loans to finance local costs of projects that were developed under the Resource Conservation and Development Program. Projects may include land or water conservation, water resource improvements, public recreational developments, and waste disposal projects.
Form of Assistance:	Loans and technical assistance.
Beneficiaries:	Public agencies or nonprofit corporations in three Resource Conservation Districts in California (see Limitations).
Limitations:	In California there are three approved Resource Conservation District areas: Cal-Neva (Modoc, Lassen, Plumas Counties); Hi-Sierra (Sierra, Placer, El Dorado, Amador Counties); and Central Coast (Santa Clara, Santa Cruz, San Benito, Monterey, San Luis Obispo Counties).
Availability:	This program is available for drought aid, but it is not a drought program. As of October 4, 1989, no approved projects in California qualify for loans.
Comments:	This program is not a drought financial assistance program, and typically it takes several years to develop and implement a project. However, as an example of possible drought-related use, the program could possibly be used to fund a replacement water supply reservoir to supplement or replace a drought-impacted water supply. SCS typically provides the needed technical expertise. Farmers Home Administration provides the loans.

Conservation Operations Program

Administering Agency:	U. S. Soil Conservation Service (SCS) and Farmers Home Administration (FmHA)
Contact Person:	Darwin Briggs (916) 449-2849 (U. S. Soil Conservation Service).
Statute:	Public Law 46.
Assistance Available:	Free water conservation handbooks can be made available.
Form of Assistance:	Handbooks.
Beneficiaries:	Public in general.
Availability:	This program is available for drought aid. Handbooks can be updated and published under existing authority. No additional legislation is required.
Comments:	Although this is not a financial assistance program, the SCS provided many free copies of a number of different water conservation handbooks during the 1976-77 drought. This can be done again.

Emergency Watershed Protection Program (EWP)

Administering Agency:	U. S. Soil Conservation Service (SCS) and Farmers Home Administration (FmHA)
Contact Person:	Jay Collins, (916) 449-2888 (U. S. Soil Conservation Service).
Statute:	Section 216, Public Law 85-516; Section 403, Title 4, Agricultural Credit Act of 1978, Public Law 95-334, 7 CFR 624.
Assistance Available:	Assistance in relieving an eminent threat to life and property as a result of a sudden impairment of a watershed caused by a natural occurrence including drought. The threat must significantly exceed that which existed before the impairment.
Form of Assistance:	Emergency assistance.
Beneficiaries:	Public and private landowners, but they must be represented by a project sponsor.
Qualifying Requirements:	Project sponsor must be a public agency of the State, county, city, or special district that has authority to acquire needed land rights, water rights, and permits.
Limitations:	Project must yield benefits to more than one individual.
Availability:	This program is available for drought aid.
Comments:	Program is much more applicable to emergency actions required due to sudden natural disasters, such as earthquakes and floods, than due to droughts.

Drought Financial Assistance Programs

State
Government

Emergency Clean Water Grant Fund

Administering Agency:	Department of Health Services (DHS)
Contact Person:	Bob Burns, (916) 323-1221.
Assistance Available:	Emergency measures to prevent the contamination or potential contamination of water supplied by a public water system. During droughts this would include bottled water, water system interties, trucking water, renting equipment, emergency water treatment, etc.
Form of Assistance:	Grants or loans.
Beneficiaries:	Public water systems.
Availability:	Program is limited to emergency assistance, including drought aid.
Comments:	<p>Less than \$1.0 million is available as of October 1989. DHS leverages program funds with other funds. Funding is not a substitute for other available drought disaster funds.</p> <p>Funding requests must come from the public water system, county Health Officer, or county Director of Environmental Health.</p> <p>In general, DHS gives priority to situations where a public health emergency exists and other funds are not readily available. Factors considered by DHS include:</p> <ol style="list-style-type: none">1. The degree of contamination.2. The nature of the contaminants.3. The length of the hazard: acute (short term) or chronic (long term).4. The length of time consumers have been or will be exposed.5. Any actual or suspected illnesses.6. Any actions taken by the local Health Officer or the Director of Environmental Health.7. The availability of other sources of funds to resolve the public health threat or emergency.

Comments (continued):

Funds must be used conservatively to solve temporary drought-related problems. Funds can not be used to resolve a temporary water shortage, such as a slightly reduced flow in a ground water supply well. (In that case, water rationing would be appropriate.) Financial need must be demonstrated.

Community Development Block Grant Program

Administering Agency:	Department of Housing and Community Development (DHCD)
Contact Person:	Laura Duncan, (916) 327-3613 or Dave Williamson, (916) 327-3624.
Assistance Available:	Grants primarily for low- and moderate-income persons in cities under 50,000 people and counties with no more than 200,000 people that do not participate in H.U.D. entitlement programs. Grants for temporary and emergency assistance for public facilities include water systems.
Form of Assistance:	Grants.
Beneficiaries:	Public facilities, housing, economic development, and public service activities.
Limitations:	Fifty-one percent of funds must be housing related, 30 percent for economic development, and 1.25 percent for Native Americans who don't belong to a recognized tribe or rancheria.
Amount of Funds Available:	About \$20.0 million is available in fiscal year 1989-90.
Availability:	This program is available for drought aid.
Comments:	This is not primarily an emergency program. The program is funded by pass-through of federal funds. Lowest income communities have the highest priorities for funds. Residents in about 200 California communities are qualified for the program. Funds are granted through Department-issued Request for Proposal.

Rural Technical Assistance Program (RTAP) (Rural Community Facilities Technical Assistance Program)

Administering Agency:	Department of Housing and Community Development (DHCD)
Contact Person:	Wayne Walker, (916) 891-6870 (Chico).
Initiating Legislation:	AB 1604, 1983-84.
Assistance Available:	Provides funds necessary for technical assistance (\$15,000 maximum) and seed money (\$7,500 maximum) for eligible communities without staff or resources to obtain local, State, or federal financing to resolve severe domestic water and waste water problems through self-help.
Form of Assistance:	Grants for technical assistance and seed money.
Beneficiaries:	Small, low-income, rural communities up to 5,000 people.
Qualifying Requirements:	Low-income communities with 5,000 maximum population and a 1980 maximum community income level of 70 percent of statewide median income.
Limitations:	Applicant must be a local government entity or a private nonprofit organization with authority to provide county-wide services and have knowledge and capability to provide technical assistance.
Amount of Funds Available:	Funds are sporadic and not regularly available; \$160,000 available as of January 1989 was allocated for five communities. There are no funds available as of October 1989.
Availability:	This program is now available for drought aid.
Comments:	Funds are available through competitive Department of Housing and Community Development Request for Proposal process. Invitations for assistance are widely advertised. Competitive application process takes about five months to issuance of contract. Nine RTAP grants for \$247,580 which

Comments (continued): were awarded in November 1987 to 21 communities are expected to produce \$11 million of other assistance. This program is funded from State general funds which are used to obtain other local, State, or federal funds.

Rural Development Assistance Program (RDAP)

Administering Agency:	Department of Housing and Community Development (DHCD)
Contact Person:	Wayne Walker, (916) 891-6870 (Chico).
Initiating Legislation:	One of four national demonstration projects initiated in 1977 by HUD, USDA, and DHCD.
Assistance Available:	Program assists under-served rural communities increase their use of other State and federal financial assistance programs to meet community-identified housing, community infrastructure (including water projects), and economic development needs.
Form of Assistance:	Grants and seed money.
Beneficiaries:	Small communities up to 10,000 to 20,000 people.
Qualifying Requirements:	Program assists local government entities, nonprofit corporations, and the private sector in target areas selected on the basis of statewide needs, local receptivity, and legislative actions.
Amount of Funds Available:	Fiscal year 1988-89 funds of \$230,000 have been encumbered. Fiscal year 1989-90 funds of \$230,000 are expected to be committed by December 1989.
Availability:	This program is available for drought aid.
Comments:	Development advisors and financial packagers in local DHCD offices provide technical assistance to qualifying beneficiaries to obtain additional financial assistance. The program has assisted 22 rural California counties obtain over \$180 million in construction activity in over 72 communities. The goal is to have communities develop the ability to assist themselves in the future. This program is funded from State general funds which are used to obtain other local, State, and federal funds. Typically, program proposals are solicited from target areas in August and September.

Natural Disaster Assistance Act and Campbell-Torres-Cortese Natural Disaster Assistance Act Amendments of 1988

Administering Agency:	State Office of Emergency Services (OES)
Contact Person:	John Passerello, (916) 427-4201 or Charlotte Button, (916) 427-4347 or Paul Jacks (NDAA Coordinator) (916) 427-4347.
Initiating Legislation:	SB 1614, 1974 and SB 1910, 1988.
Chapter and Statute:	290, 1974 and 1507, 1988.
Assistance Available:	Repair, restoration, and replacement of public real property that is damaged as a result of natural disasters such as fire, flood, storm, tidal wave, earthquake, or other similar public calamity. State pays 75 percent of eligible costs and local governments pay 25 percent. Could cost-share pumps, pipelines, and other water facilities that have sustained physical damage.
Form of Assistance:	Cost-sharing of eligible costs. Also, tax deferral and grants to meet disaster expenses.
Beneficiaries:	Local governments are primary beneficiaries; some benefits are available to individuals.
Qualifying Requirements:	Local emergency declaration is required before OES will request Governor's declaration. That must be within 10 days of emergency. Assistance must be requested within 60 days of local declaration.
Limitations:	Program is implemented only when a Presidential declaration of emergency is made. Recreational facilities are not eligible. (Educational facilities are eligible as of January 1, 1989.) State grant limit for eligible property to eligible individual or families is \$10,000.
Availability:	This program may possibly be available for drought aid, but assistance is limited to restoring physical damage caused by disasters such as floods, earthquakes, etc. Drought is not

Availability (continued): specifically included in the Act as a covered disaster.

Comments: This program is funded from four accounts in the Natural Disaster Assistance Fund in the State Treasury. Droughts usually do not cause physical damage which is covered under the Act. State funds may not supplant federal funds. New amendments provide for State grants to individuals and families to meet disaster-related expenses and deferral of individual property taxes.